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SUBJECT: PROTECTING THE ENVIRONMENT IN HAINAN, CHINA'S

ORIGINAL ECO-PROVINCE

REF: A. GUANGZHOU 6592

- (U) THIS DOCUMENT IS SENSITIVE BUT UNCLASSIFIED. PLEASE PROTECT ACCORDINGLY. NOT FOR RELEASE OUTSIDE U.S. GOVERNMENT CHANNELS. NOT FOR INTERNET PUBLICATION.
- 11. (U) Summary. According to Hainan officials, the province's environmental quality is China's best. Largely because of its efforts to attract increasing numbers of tourists, Hainan realizes that a clean environment is an asset that must be preserved. At the same time, the island must balance its environmental concerns with its economic growth, a particularly challenging task given Hainan's desire to move away from its traditional reliance on agriculture. So far the island has done so successfully, but it may become a harder task as the number of factories and tourists grows. End summary.
- 12. (U) On March 24, Consulate and Embassy officers met in Haikou with officials from the Hainan Department of Land, Environment and Resources (DLER), to inquire about the the provincial government's plans to protect the island's environment as Hainan continues to develop its manufacturing and tourism industries (see REF A for a report on Hainan's economy in 2005). In addition to Deputy Director He Shaoqun, Deputy Division Chief Dr. Cheng Chunman and staff member Wu Xiong were also present at the meeting.
- 13. (U) Deputy Director He began her presentation by proclaiming that Hainan's environmental quality was "the best in China." Taking a direct jab at our host cities of Guangzhou and Beijing, she stressed that even in Haikou, the province's largest city, one "can feel [the high quality of the air]." Meanwhile, the surface and underground waters of Hainan, as well as the ones that surround the island, are relatively clean. Finally, Hainan's forest coverage is "better than in any other province of China."
- 14. (U) According to He, the high quality of Hainan's environment is not fortuitous. Since its establishment in 1989, Hainan's provincial government has paid much attention to the island's environment and undertaken great efforts to protect it. In Hainan, the environment is regarded as a "productive force" and a "lifeline," and therefore the "ideology" of environmental protection serves as a guide to development. Rewarding these efforts, in 1999 the State Environmental Protection Administration (SEPA) designated

Hainan as China's first "ecological province." (Note: Since that time, SEPA has designated eight more ecological provinces. Bai Keming, Hainan's party secretary from 2001 to 2002, was influential in adopting the eco-province strategy in Hebei, to where he was transferred after serving in Hainan. End note)

## Striking a balance

15. (U) Of course, environmental protection is not considered in the abstract by Hainan's government. Rather, environmental concerns are balanced with the island's economic development. Since 2000, Hainan's GDP has been growing at about 10% a year, helping raise incomes and living standards in Hainan. The crux of Hainan's economic growth strategy is in the development of its secondary and tertiary sectors, lessening the island's traditional reliance in agriculture (REF A). This has necessarily had an effect on Hainan's environment, but its authorities try to mitigate by postulating the "three don'ts": (1) Don't pollute the environment; (2) Don't destroy natural resources; and (3) Don't duplicate projects which in practical terms means, don't set up factories in the island's south and east, where tourists like to go. (Note: Since some pollution and some destruction of natural resources, however slight they may be, has to occur if an industrial sector is to be developed, we can imply that (1) and (2) mean "don't needlessly pollute or destroy." End note)

## The paradox of tourism

 $\P6.$  (U) Certainly, a good deal of Hainan's concern for the environment stems from its desire to attract visitors in

increasing numbers. The island's government is very aware that its environmental quality and natural resources are key selling-points for tourists. For this reason, it essentially corrals its factories in a few areas in the island's west, far away from the beaches in Sanya and Boao, and other tourist attractions. At the same time, tourism itself can be a strain on the environment. The DLER officials we met with are aware of this, and stressed that the environmental impact of new developments is evaluated before they are approved.

## V S A LIVE MSG Comment: Easy does it

- 17. (SBU) Tourism alone will not be enough for Hainan to sustain 10% GDP growth, even if the number of visitors continues to grow at a brisk rate. For this reason, the province must continue to develop its industrial sector. The strategy of containing factories and other fixed sources of pollution to certain areas of the island works well in its stated goal of protecting the premium spots, such as Sanya. However, it still presents a problem to those living close to the "sacrificed" areas. Moreover, as Hainan continues to benefit from its industrialization, there might be a temptation to expand its scope, freeing up more areas for industrial build-up.
- 18. (SBU) Meanwhile, many beautiful spots elsewhere have been all but ruined by mass tourism, and Hainan needs to keep their experiences in mind. With rising incomes across the country, the number of domestic visitors should continue to grow. Meanwhile, the number of international visitors is still relatively low, offering much growth potential. As the tourists and their dollars (and yen, won and rubles) begin to pour in, it may become hard for Hainan to stop the flow in the name of its environment. The Hainanese would do well to remember that, although the tourists leave after a short stay, the Hainanese themselves stay behind, and stand

to lose the most from any environmental degradation.  $\ensuremath{\mathsf{DONG}}$